

DEALER AGREEMENT 6/18/13

THIS AGREEMENT, to become effective the ____ day of ____ 20___ (hereafter called "Agreement") Between Ohenry Productions Inc., with its principal place of business at 3859 Chappel Hill Rd. Waco, TX. 76705, (hereafter called "Ohenry") and ______ with its place of business for the retail sale of Ohenry products covered by this Agreement located at: ______

City_____ State_____ Zip_____ (hereafter called "Dealer").

1. PURPOSE

This Agreement is to establish "Dealer" as a distributor of Ohenry with the **non-exclusive** right to sell at retail Ohenry's Products, including parts and accessories therefore (hereafter called "Products") in the trade area served by Dealer and to establish the responsibilities of the parties.

2. <u>RESPONSIBILTY OF DEALER</u>

Dealer shall:

- a) Aggressively promote the sale of Products, through, but not limited to, advertising on Dealers website.
- b) Properly staff and train sales, service and parts personnel with respect to Products AND Ohenry Mini-Web Site.
- c) Cooperate with Ohenry's Annual Performance Review, and any other programs or matters pertaining to the administration of this contract.
- d) Dealer must have their web Master install the Ohenry Logo on their home page, and install the ohenrybacklinks.html file on the Dealer's web site in the root directory. (All necessary files will be provided by Ohenry).

3. TRADEMARKS/TRADE NAMES

Dealer is hereby licensed to use Ohenry's name and trademarks in the normal course of distributing Ohenry's Products and performing related service under this Agreement. Dealer agrees not to use Ohenry's name as part of Dealer's name or in any manner which would misrepresent the relationship between Dealer and Ohenry. Dealer may represent itself as an "authorized dealer" of Ohenry, and, with prior approval of Ohenry, may use Ohenry's name and Product related trademarks on signs or other advertising or promotional material. Dealer's license to use the Ohenry's name and trademarks is limited and Dealer shall abide by restrictions and limitations imposed by

Ohenry from time to time. Upon termination of this Agreement, Dealer shall immediately cease representing itself as a dealer of Ohenry and shall cease use of all Ohenry names and trademarks and any signs or other material, of whatever nature, identifying Dealer as a dealer of Ohenry shall be removed and obliterated.

4. <u>GENERAL</u>

- a) Dealer is not an agent of Ohenry nor is Dealer authorized to incur any obligations or make any representations on behalf of Ohenry.
- b) This Agreement is binding on the parties, their heirs, executors, administrators, successors and assigns.
- c) If any provision of this Agreement shall be held unenforceable, then the remainder of this Agreement shall not be affected thereby.
- d) No waiver by Ohenry of any default under this Agreement by Dealer shall be deemed a waiver of any prior or subsequent default by Dealer hereunder.
- e) All understanding and agreements between the parties are contained in this Agreement which supersedes and terminates all other agreements between the parties. The rights of either party pertaining to Products sold by Ohenry to Dealer under previous arrangements will be governed by this Agreement, provided, however, that nothing contained in this Agreement will, in any way, alter or change the rights and obligations of the parties pursuant to any security agreements or other agreements presently in existence.
- f) Ohenry reserves the right to modify and/or update this Agreement consistent with the modification and/or updating of all agreements Company has with other similar dealers, and replace or substitute such modified or update agreement for this Agreement and such replacement or substitution shall not constitute termination of this Agreement. Failure of Dealer to execute such replacement or substitution agreement within 30 days of it being offered shall constitute automatic termination of this Agreement by Dealer.
- g) *This Agreement will be governed by the laws of the State of Texas.

5. TERMS OF SALE

Upon acceptance by Ohenry of a Dealer's order for Products, the dealers actual cost will be the <u>current retail price</u> <u>posted on the Ohenry website</u>, less the discount rate shown in the Dealer's agreement in effect at the time the order is placed. (Prices and terms for Products shall be those in effect on the date Ohenry accepts the Dealer order. All shipments are F.O.B., Ohenry location).

6. WARRANTY

Ohenry Products are sold subject only to the applicable Ohenry standard warranty (posted on the Ohenry web site) in effect at the time of sale and such warranty shall be in lieu of all other warranties express or implied. Dealer is not authorized to assume, on Ohenry's behalf, any liabilities in connection with Dealer's sale of Product other then as set forth in such Ohenry standard warranty. Dealer shall indemnify and hold Ohenry harmless with

respect to any Dealer representation beyond those in such Ohenry warranty. COMPANY MAKES NO WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

7. <u>DELIVERY</u>

Ohenry shall not be responsible for failure to deliver Products on time or to fill orders when such delay or failure results from causes beyond Ohenry's control such as delays by shipping companies.

8. <u>TERMINATION</u>

Unless otherwise provided by applicable state law, either party may terminate this Agreement without cause and for any reason, upon not less than _____ days written notice given to the other party, provided that nothing contained herein shall prevent Ohenry from immediately terminating this Agreement in the event of bankruptcy or insolvency for Dealer, Dealer's failure to pay amounts owing Ohenry when due. Upon termination for any reason, all amount owed Company will become immediately due and payable.

9. FACTORY RETAIL SALES

The Ohenry Factory reserves the right to conduct retail sales of Products in all areas. Dealers are not granted exclusivity for their area, region or state. We encourage each dealer to send weekly their respective representative at the Ohenry factory a list of customers with whom the dealer is communicating concerning pending sales of products. This practice helps prevent "double teaming" of a potential customer by both the factory and the dealer.

Each dealer should document his or her initial contact with a prospective customer via an email sent to the customer containing prices, pictures and other details which were given to customer. This is standard practice for all Ohenry factory sales personnel. When accidental "double teaming does occur, the sale will be assigned to either the dealer or the factory depending on the email documents which both the factory and the dealer have saved for reference. The sale should be credited to whichever party can document the earliest contact with potential customer. Careful, concise documentation and thorough communication with the factory assigned representative will assure "double teaming" is kept to a minimum.

DEALER DISCOUNT RATES & INCENTIVES

1. DEALER DISCOUNTS

Dealer discount rates are structured so as to allow each dealer a sufficient profit margin to motivate sales of Ohenry products. Each dealer is eligible for the same discount rate from Ohenry, regardless of individual sales volume. Each dealer is responsible for promoting Ohenry products at the current retail prices reflected on the Ohenry website. However, the retail prices posted on the Ohenry website can be discounted at the dealer's discretion for any high volume orders which the dealer may receive. The discount offered by the dealer to any particular customer does not affect the dealer's cost from Ohenry. Any dealer offered discounts are left to the dealer's discretion, and discounts offered will simply narrow or reduce the dealer's margin of profit.

2. <u>QUOTAS</u>

- 1) Each Dealer's purchases and or sales must equal or exceed the "minimum level" quota in each 12 month period following the inception of this agreement in order to maintain the dealership privileges'. Quotas will be defined by this agreement between by the Dealer and Ohenry Productions.
- 2) Dealer is not held liable to purchase products when their quota is not met. Failure to meet agreed quotas only jeopardizes the dealer's ability to continue functioning as a dealer.
- 3) Quota for this individual agreement per twelve (12) month term is:
 - 4 \$15,000.00 (Minimum Level)

3. <u>RETAIL PRICES</u>

While Ohenry does not mandate that each dealer price his products at the retail prices posted on the Ohenry website, we highly recommend that company retail pricing be followed closely. The dealer should understand that attempting to sell products at an inflated price will reduce potential sales dramatically. Dealer inflated pricing will simply assure that the dealer's potential customers will simply purchase their product directly from the factory, or another Ohenry dealer.

4. DEALER DISCOUNT SCHEDULES

The discount rates to all Ohenry dealers are defined as Dealer Cost discounts. In other words, the percentage of Ohenry retail pricing which will be given to each dealer as a discount. Discount schedules are as follows. Each percentage shown is the percent of discount which products are sold to Dealer. Discounts are deducted from the retail price shown on the Ohenry web site. Discount schedules are as follows.

<u>"Traditional Pole Tent" tops, kits, and parts</u>

Kits include partial sets consisting of top, poles and stakes, but no walls. Complete sets which include either Cathedral Window wall sets, or solid white wall sets. Standard wall height is 7' tall. Dealer discount is 15% off retail.

<u>"Mystique High Peak Tension Tents" tops, kits, and parts</u>

Kits include partial sets consisting of top, poles and stakes, but no walls. Complete sets which include either Cathedral Window wall sets, or solid white wall sets. Standard wall height is 7' tall. Dealer discount is 15% off retail.

"Frame Tent" tops, kits and parts tops, kits, and parts

Kits include partial sets consisting of top, frame, ropes and stakes, but no walls. Complete sets which include either Cathedral Window wall sets, or solid white wall sets. Standard wall height is 7' tall. Dealer discount is 10% off retail.

<u>Accessories (items sold individually apart from "sets")</u>

Side walls (all types), poles for pole tents and high peak tents, ratchet straps, repair kits, tents stakes, and tent bags. Dealer discount is 15% off retail.

Frame tent replacement parts and tops.

Dealer discount is 10% off retail.

ACKNOWLEDGEMENT

Dealer agrees to have read and understood this entire agreement. Dealer also agrees that discount rates and incentives are subject to change. All dealers will be notified of changes, and current discount rates and incentives can also be viewed in the Dealer's area on the Ohenry Website.

(Dealer Co. Name)

(_____)

ΒΥ_____

Title_____

Date_____

(Ohenry Productions Inc.)

BY_____

Title_____

Date_____

Ohenry Productions Inc. 3859 Chappell Hill Rd. Waco, TX. Sales 254-714-1103 Fax 254-714-1117